



# Brownfields Cleanup Revolving Loan Fund Pilot

***St. Louis, MO***

Outreach and Special Projects Staff (5101)

Quick Reference Fact Sheet

EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA is funding: assessment demonstration pilot programs (each funded up to \$200,000 over two years), to assess brownfields sites and to test cleanup and redevelopment models; job training pilot programs (each funded up to \$200,000 over two years), to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field; and, cleanup revolving loan fund programs (each funded up to \$500,000 over five years) to capitalize loan funds to make loans for the environmental cleanup of brownfields. These pilot programs are intended to provide EPA, states, tribes, municipalities, and communities with useful information and strategies as they continue to seek new methods to promote a unified approach to site assessment, environmental cleanup, and redevelopment.

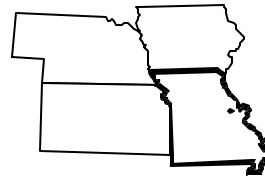
## BACKGROUND

Since 1952, St. Louis has lost half of its jobs, two-thirds of its population, and much of its tax base, because many of its major employers have moved outside the city. Nearly one-fourth of the city's residents live in poverty and more than ten percent are unemployed. More than 54 million square feet of city-owned abandoned property and buildings affect the downtown, while also undermining the safety and value of nearby properties. These areas frequently provide a haven for drug dealers and other criminals. Various initiatives are already underway to address these concerns, most notably in the federally designated Enterprise Community (EC).

## BCRLF OBJECTIVES

The goal of the St. Louis BCRLF Pilot program is to fund cleanup of several environmentally contaminated properties and facilitate their return to productive use. BCRLF Pilot loans will target distressed areas and complement the city's strategic economic development plan being drafted by local businesses, neighborhoods, developers, investors, and government officials. By funding brownfields cleanup, the city hopes to stimulate economic revitalization in target areas through business development and investment and job growth and

## PILOT SNAPSHOT



St. Louis, Missouri

Date of Award:  
September 1997

Amount: \$350,000

BCRLF Target Area :  
Brownfields in St. Louis's  
distressed areas, including  
the federally designated  
Enterprise Community.

### Contacts:

St. Louis Development  
Corporation  
(314) 622-3400

Regional Brownfields Team  
U.S. EPA - Region 7  
(913) 551-7786

Visit the EPA Region 7 Brownfields web site at:  
<http://www.epa.gov/region07/specinit/brown/brownfields.htm>

For further information, including specific Pilot contacts,  
additional Pilot information, brownfields news and events, and  
publications and links, visit the EPA Brownfields web site at:  
<http://www.epa.gov/brownfields/>

retention. The BCRLF Pilot will fill gaps in brownfields cleanup funding. The city currently is without loan pools to fund private-party cleanup or to supplement strategies and programs. Preference will be given to projects located within the federal EC or state Empowerment Zone (EZ) areas, and for those which target previously publicly owned properties, which will allow further leveraging of state funds.

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*Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.*

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## FUNDSTRUCTUREANDOPERATIONS

All administrative costs of the BCRLF Pilot will be provided as in-kind contributions so that the total amount of the BCRLF funding goes to the loan pool.

The St. Louis Development Corporation (SLDC) will serve as the Lead Agency and Site Manager for the BCRLF. The St. Louis Local Development Corporation (LDC) will act as the Fund Manager. In addition, the Regional Commerce and Growth Administration Brownfields Task Force will partner with the Pilot to provide professional expertise to help ensure all proposed cleanup efforts are in compliance with federal and state laws. To secure a loan or loan guarantee, a prospective borrower must first secure all other financing and must apply for project approval through the state voluntary cleanup program (VCP).

## LEVERAGINGOTHERRESOURCES

Because the St. Louis BCRLF will be supplemented by \$350,000 in private funds from Civic Progress and St. Louis 2004, a local non-profit civic organization that represents area businesses, the initial capitalization of the loan pool will total \$700,000. In addition to the EPA funds, private matching funds, and in-kind contributions, St. Louis will work to leverage new and existing incentives to encourage further brownfields cleanup and redevelopment. For example, the state's petroleum storage tank insurance fund may provide businesses and developers with insurance to cover any excess or unanticipated costs associated with the removal or maintenance of underground storage tanks on brownfields sites. Tax credits from state agencies may also be used to fill out the financing package on any given project. Finally, the city will couple its BCRLF Pilot loans with the incentives available in the federal EC and state EZ, since half of the 44 brownfields identified in St. Louis are within the EC area.